

**Minutes
Board of Directors of the Virginia Economic Development Partnership Authority
December 8, 2022
9:00 a.m.**

**901 East Cary Street
One James Center, Board Room
Richmond, VA 23219**

Welcome and Call to Order

The meeting was called to order at 9:05 a.m. by Acting Chair Caren Merrick, who noted that a quorum was present.

Board Members present: Carrie Chenery, Dan Clemente, Mimi Coles, Secretary Stephen Cummings, Rick Harrell, Bill Hayter, John Hewa, April Kees, Pace Lochte, Secretary Caren Merrick, Anne Oman, Marianne Radcliff, Nick Rush, Will Sessoms, and Steven Stone

Virtual Board Members: Stephen Edwards

Board Members absent: Nancy Agee

VEDP in person Staff Members: Stephanie Agee, Vince Barnett, Nicole David, Michael Dreiling, Jason El Koubi, Stephanie Florie, Katherine Goodwin, Stephen Hartka, John Michael Haynes, Chris Hughes, Lori Melancon, Christy Morton, and Lisa Wallmeyer

VEDP Virtual Staff Members: Carrie Vuori

Guests: Joe Benevento, Sara Dunnigan, Drew Erdmann, Don Ferguson, Joe Hines, Kim McKay, Anya Pfeiffer, Jason Powell, Nicole Riley, and Rafael Rivera

Welcome and Call to Order

Acting Chair Merrick welcomed guests to the meeting and noted that a quorum of members was present. She thanked the VEDP team for creating a warm and welcoming environment for the meeting.

Public Comment Period

Acting Chair Merrick solicited public comments. There were none.

Approval of Minutes for 9/29/2002 Meeting

Acting Chair Merrick asked for approval of the minutes from the September 29, 2022, meeting. A motion was made by Mr. Sessoms and seconded by Ms. Chenery and the minutes were unanimously approved as presented.

Vice Chair's Report

Acting Chair Merrick gave a brief report on the work going on in the Administration. She said if there were three words/phrases she could offer to define the vision of the Youngkin Administration they would be growth, compete to win, and accelerate.

Acting Chair Merrick spoke about growing Virginia's economy and population. She explained that Virginia needs to grow its labor force participation rate. She said that though labor force participation has declined across the country, some states have recovered at a faster rate than others. She cited North Carolina, which has less residents in their labor force than Virginia but is employing more of its residents. Acting Chair Merrick said Virginia also needs to grow its inventory of business-ready sites and increase the level of engagement businesses have in education to grow Virginia's workforce.

Acting Chair Merrick shared how the Administration is competing to win. She said that Virginia should be winning more deals. She also mentioned that the Administration wants more people to choose Virginia as their home. She explained how the Administration and its partners are looking hard at what Virginia's competitor states are doing to identify best in class and other good ideas that we can cherry pick to build on Virginia's success and assets. She spoke about being intentional in competing. She cited the example of VEDP, The Administration, and other partners' work on site selector cultivation and the recent jump for Virginia from 10th place to the top spot in *Site Selection* magazine's Top Business Climate in the U.S. ranking.

Acting Chair Merrick stated that a lot has been done in the Administration's first year, adding that the Governor wants to move even faster. She said that there are two speeds in the Youngkin Administration -- fast and accelerate. She explained that they are moving into acceleration mode, but they cannot achieve their goals alone. She spoke about how they are partnering with others across the Commonwealth to identify the barriers to success and then working quickly to resolve them together.

President's Report

Acting Chair Merrick introduced Mr. El Koubi to give his report.

Mr. El Koubi began his report by reminding the Board how VEDP goes about setting its goals for the year. He explained that VEDP has been ratcheting up its VEDP-assisted job creation and capital investment goals over the years. He said that coming into this fiscal year, VEDP set some of its biggest goals ever, knowing that the economy has been expanding and Virginia has been seeing more projects. Mr. El Koubi said that this growth has leveled off and VEDP needs to continue to pay close attention to the macroeconomics to see how it is affecting VEDP's performance and the project pipeline. He said that while VEDP is not seeing deals pull back, it is not seeing an increase in the opportunity set.

Mr. El Koubi reviewed VEDP's FY23 Performance Metrics. He said that substantial progress has been made toward these goals, but VEDP is not where it would like to be at this point in the fiscal year. Mr. El Koubi reminded the Board members that this is a very lumpy game and that one or two big projects could change this picture very quickly for the better, adding that VEDP is currently working a couple of very large deals that have reasonable probability of being wins for Virginia.

Mr. El Koubi spoke about the increased support that has come through for implementation of additional elements of the International Trade Plan and how these funds are allowing VEDP's International Trade team to service more clients than ever before. He said that Ms. Agee would provide a positive update later in the meeting, which will show that VEDP is on track with all of its Trade-related activities.

Mr. El Koubi reviewed VEDP's FY2023 Major Initiatives, stating that all are currently on track. Some of these initiatives are being implemented with the new funding VEDP has received, including the final ramp up of the Virginia Talent Accelerator Program; increased focus on sites, including the Virginia Business Ready Sites Program (VBRSP); progress on implementing initiatives from the International Trade Plan; progress on the Governor's Comprehensive Economic Development Policy; new investments in VEDP's core capabilities, including ramping up VEDP's lead generation and project management capabilities. VEDP has also been able to leverage the capabilities of the Virginia Talent Accelerator Program internally for talent development for the VEDP team.

Mr. El Koubi shared notable developments since the last Board meeting. He highlighted recent project wins and major opportunities in the pipeline. Other notable work includes a focus on completing GA-mandated projects and studies; preparation for for the General Assembly session; continued emphasis on sites; working with McKinsey & Company to leverage VEDP capabilities and integrate them fully with the rest of state government in a whole of government approach; completion of VEDP's FY23 Annual Report; and distribution of the Q3 2022 issue of *Virginia Economic Review* on Trails.

Mr. El Koubi spoke about his top priorities for the next few months. He said he will be committing a lot of his personal energy and time into the project pipeline, sites, the General Assembly session, and implementation of newly funded activities. He said he will also be carving out time to identify great candidates for a few open leadership positions that VEDP hopes to fill soon.

Acting Chair Merrick thanked Mr. El Koubi for his report.

Nominating Committee Report

Acting Chair Merrick introduced Carrie Chenery, Chair of the Nominating Committee and thanked her for her service and leadership.

Ms. Chenery introduced the members of the Nominating Committee and thanked them for their time and service.

Ms. Chenery shared that the Committee unanimously recommended Bill Hayter as Chair of VEDP's Board of Directors. She reviewed Mr. Hayter's outstanding service to VEDP over the years and his professional experience. Ms. Chenery said Mr. Hayter has a heart for Virginia and community service.

Ms. Chenery moved and Ms. Coles seconded to elect Mr. Hayter as Board Chair. The Board members unanimously approved the motion.

Mr. Hayter said he looks forward to collaborating with the Board and the VEDP leadership team to build on VEDP's success.

Mr. Hayter assumed the role as Chair.

Update from Ex Officio Board Members

Chair Hayter invited VEDP's ex officio members to offer key updates to the Board.

Secretary Cummings provided an update on the Commonwealth's budget. He said Governor Youngkin will be presenting his proposed budget on December 15, 2022. Secretary Cummings shared that this cycle was his first time participating in the budget process from beginning to end. He said it has been fascinating to observe and to be a part of.

Secretary Cummings shared what he is hearing about a possible recession and the Administration's projections on the Commonwealth's fiscal outlook. He said that based on the Administration's analysis, they are taking a more conservative view on the budget.

Secretary Cummings said the Administration is very optimistic about where Virginia is going, and will continue to focus on job growth and growing the population.

Ms. Oman spoke about preparation for the General Assembly session. She said the House Appropriations Committee shares the Governor's perspective on the revenue picture and intends to be very cautious, focusing on one-time activities and maintaining structural balance, as it could be a tough two years.

Ms. Kees echoed Ms. Oman's comments, stating that the Senate is also being cautious and focusing on one-time activities.

Ms. Kees shared her thoughts on K-12 enrollment peaking in 2025. She said Virginia has to be creative in how it is thinking about these things long term.

Mr. Edwards said the Port is seeing economic slowdown impacts happening in real time with a drop in imports. He said the Port's forecast shows that the downturn will be a sharp V for December 2022 - February 2023, with normal buying patterns resuming after that time period. He also mentioned the turmoil that China's emergence from its zero COVID-19 policy and South Korea's national trucking strike will have on international trade.

Mr. Edwards said that shipping rates have crashed with the volume reduction coming out of Asia and Europe. He said that freight rate prices are back to pre-pandemic levels.

Mr. Edwards shared some of the positive things happening during this time, including the recent project announcement. He said the site pipeline for logistics is the best it has been in a while. He spoke about pending project announcements, which include companies who are relocating from the West Coast.

Chair Hayter asked about the possibility of another inland port in Virginia.

Mr. Edwards spoke about the work the Port and VEDP have done together on a recent inland port study that is currently under review by the Administration before it is submitted to the General Assembly. Mr. El Koubi said that the VEDP team will provide an update on the inland port study during the meeting's closed session.

Chair Hayter thanked the Ex Officio members for sharing their updates.

Chair Hayter recognized guest Sara Dunnigan, Deputy Director of GO Virginia and Economic Development at Virginia Department of Housing and Community Development and asked if she would like to give an update on GO Virginia.

Ms. Dunnigan reviewed GO Virginia's focus areas and how these complement VEDP's strategic mission. She spoke about an upcoming strategic planning effort that will take place with each of the nine GO Virginia regions, principally around talent development.

Ms. Dunnigan spoke about GO Virginia's investments in sites since the program's inception, stating that GO Virginia is pleased to partner with VEDP to advance toward a higher level of site readiness.

Secretary Merrick asked Ms. Dunnigan to explain GO Virginia's organizational structure, Board of Directors, and integration with business leaders. Ms. Dunnigan provided an overview and related context.

Chair Hayter thanked Ms. Dunnigan for her remarks.

International Trade Survey Results

Ms. Agee reviewed the results of the latest annual survey of VEDP's International Trade clients. She noted that the survey is administered to all of the companies who had meaningful engagement with the International Trade division during the fiscal year.

Ms. Agee said feedback from this survey is important in deciding how the International Trade team will allocate resources and serve clients in future years.

Ms. Agee explained that VEDP sent the FY23 survey to 360 International Trade clients. She said that 239 responses were received, which is a response rate of 66%. Ms. Agee said that 87% of survey respondents provided qualitative comments, which is very beneficial.

The International Trade team's goal for FY23 was to serve 360 companies. The actual number of companies served was 377.

Ms. Agee said that \$813M in international sales by these companies was attributable to participation in VEDP's International Trade programs, which far surpassed the goal of \$635M. She added that these international sales support 7,319 jobs in Virginia, which was greater than the goal of 5,700.

Ms. Agee said companies reported that they retained \$470M in existing international sales due to their involvement with VEDP's International Trade programs.

Ms. Agee shared that the International Trade team achieved exceptionally high scores for the quality of its programs and services. She highlighted that 99% of companies said that they would recommend VEDP's export assistance programs to other Virginia companies.

Ms. Agee spoke about VEDP's International Trade team, describing them as amazing, and adding that their customer service is top notch.

Ms. Agee shared that 81% of International Trade's clients said their involvement with VEDP is absolutely essential or very important, which makes it very clear that these companies need VEDP's help.

Ms. Agee explained that the survey asked clients what additional offerings they would like to see from VEDP's International Trade division. Ms. Agee reviewed the responses.

Ms. Agee shared that one of the biggest challenges her team experiences is finding new companies to work with. She explained how Trade managers meet with companies to promote the services. Ms. Agee said she feels that more peer-to-peer promotion will help. She said her team is partnering with VEDP's Marketing & Communications division on producing client testimonials to get the word out. Ms. Agee showed a sample testimonial video to the Board.

Chair Hayter congratulated Ms. Agee and the International Trade team on the positive survey results.

Secretary Merrick suggested offering an in-depth presentation on the International Trade division to the Board at a future meeting. Ms. Agee agreed.

VEDP 2022 Staff Survey Results

Mr. Hartka provided a recap of the results of VEDP's 2022 Staff Survey.

Mr. Hartka said the survey was issued in September, was live for three weeks, and received a 90% participation rate.

Mr. Hartka shared that 92% of the staff said they are "satisfied" or "very satisfied" with their employment at VEDP. He said there is a little variation in satisfaction level across teams, but nothing concerning. He added that employment satisfaction fluctuates somewhat based on tenure.

Mr. Hartka said overall satisfaction with employment at VEDP has increased significantly from when the first survey was administered in 2017.

Mr. Hartka said the survey asked about different aspects of staff satisfaction and increases were seen across the board.

Mr. Hartka said that 2022 was a year of significant change for VEDP, with the transition from remote work to a hybrid work program, as well as leadership transitions at VEDP and the state level. He said it is great to see the resiliency of the VEDP team, and that overall VEDP's Executive Leadership Team was pleased with the survey results.

Mr. Hartka reviewed some of the areas for improvement gleaned from the survey results, including a need for increased cross-division collaboration; better communication across teams; more communication and dialogue on the leadership reorganization; strengthened training offerings; clarity on career advancement, including performance feedback; and continuing with D&I initiatives.

Mr. Hartka said that while satisfaction with work/life balance has improved, it remains a major concern for some staff, primarily those who are in exposed roles with a lot of partner and client interaction. He said that VEDP will want to continue to monitor this closely, as these are high-impact, hard-to-fill positions.

Mr. Hartka shared that this survey was also an opportunity to learn about the team's satisfaction with VEDP's Hybrid Work Pilot Program. He said that the feedback was overwhelmingly positive, with just a handful of staff members clamoring for a little bit more flexibility, but overall, a validation of the general approach.

Mr. El Koubi explained that following interpretation of the results of this survey, VEDP's Executive Leadership Team meets to determine next steps on any action items that are needed. He said these discussions are happening now.

Mr. Hewa congratulated Mr. El Koubi and VEDP's entire leadership team on these positive results, adding that this is not the trend line that most U.S. employers are currently seeing. He also commended VEDP for having the courage to ask these questions.

Mr. Hayter asked if VEDP conducts exit interviews with employees who leave. Mr. El Koubi answered that VEDP's Human Resources division does conduct formal exit interviews. He said that occasionally he or other leadership team members may also join these exit interviews, depending on the position and circumstances of the departure.

Secretary Cummings asked if VEDP has identified any trends as to why employees depart VEDP. Mr. El Koubi offered that there is not one big theme, but that staying competitive with salaries, especially for the core economic development staff who are often attractive candidates for local and regional leadership positions, is one that comes up. Ms. Agee added that work/life balance also comes up occasionally, in addition to relocating for a spouse or partner's job.

Chair Hayter asked if work/life balance is coming up because there is a need for VEDP to hire additional staff in order to make workloads more manageable. Mr. El Koubi answered that this is a contributing factor.

The Board engaged in discussion about how VEDP can expand and diversify its workforce with Mr. El Koubi providing context on the field of economic development and the challenges with getting more people into the profession. He offered specific tactics VEDP is deploying to help grow its pipeline of talent.

Review of Virginia Economic Performance

Mr. Hartka shared an Executive Summary of information from the Economic Data Book produced by VEDP.

Mr. Hartka explained that employment numbers remained flat, with Virginia's employment remaining 120K below pre-COVID-19 levels in October. He said that it is important to note that Virginia is still up 93K in employment for the year, which is very positive.

Mr. Hartka said that while employment remains below pre-COVID-19 levels, non-farm payroll jobs marked an important milestone in September, reaching the level of pre-COVID-19 employment.

Mr. Hartka spoke about a divergence between two of the data sets. He explained that there is a trend that Virginia is seeing, and one that is also happening at the national level, which is reflective of some unique things going on in the labor market. He said this could account for the increase in non-farm payroll numbers. He said that one explanation could be that people are taking on multiple jobs, which can give the illusion of job growth, and another may be self-employed people returning to formal employment.

Mr. Hartka said most economists agree that the labor market has proven pretty resilient to date, but the majority predict a downturn in the future. He said the big question is how long a downturn will last. He added that this recession might not come with the same unemployment that is traditionally seen in an economic downturn.

Mr. Hartka reported that the labor force participation rate level has stalled out since the summer. He said unemployment has hit rock bottom and the bench is empty, with no one else to call onto the field. He explained that the labor market conditions are particularly tight in Virginia. He said the Commonwealth needs to retain citizens and attract more.

Ms. Kees asked if state government is included in the "government" section of the employment by industries slide in Mr. Hartka's presentation materials.

The Board engaged in a discussion on the vacancies in state government and how they are calculated and categorized.

Chair Hayter thanked Mr. Hartka for his presentations.

Legislation and Policy Committee Report

Legislation and Policy Committee Chair Marianne Radcliff provided an updated on the topics discussed during the Committee meeting on December 7, 2022.

Ms. Radcliff said that Ms. Jenkins provided the Committee with an update on Virginia's November election for its 11 U.S. House of Representatives seats. Ms. Radcliff noted that this was the first general election since the districts were redrawn based on the 2020 census.

Ms. Radcliff said Ms. Jenkins also discussed the schedule for the special election, which is set to take place on January 10, 2023, to fill both the vacant Virginia Senate seat previously held by Jennifer Kiggans, as well as the House seat vacated by Delegate Mark Keam, who resigned to accept a position with the Biden administration. She said Ms. Jenkins also noted the very recent passing of Congressman Don McEachin and that a special election will be scheduled to fill his seat.

Ms. Radcliff shared that in closed session, the Committee discussed potential budget and legislative proposals for the 2023 regular General Assembly session. Ms. Radcliff referred members to their Board meeting materials for more details on these proposals.

Ms. Radcliff explained that Governor Youngkin will announce his amendments to the current biennial budget next week. VEDP's External Affairs team will update the Board on any amendments related to VEDP or economic development, and will reach out if any help is needed in advancing VEDP's priorities.

Ms. Radcliff said the Committee plans to meet again in March to review outcomes from the General Assembly session.

Finance and Audit Committee Report

Finance and Audit Committee Acting Chair Rick Harrell provided an update on the topics discussed during the Committee meeting on December 7, 2022.

Mr. Harrell said that Linda Wade with the office of the Auditor of Public Accounts of the Commonwealth provided an update on the audit to the Committee. Ms. Wade said that the audit will be completed by mid-January 2023 and she and her team will deliver the full report to the Board at its March 2023 meeting.

Mr. Harrell said the Committee also received an update from Chris Kalafatis with FORVIS on VEDP's Internal Audit function and the audits currently in progress for the Regional Talent Solutions and Business Outreach (RTSBO) and Economic Competitiveness Divisions. Mr. Kalafatis said these audits should be completed by the end of 2022 and previewed that both are expected to have the highest possible rating.

Mr. Harrell reviewed the following consent agenda items, which were brought to the Board for a vote.

- VEDP FY23 Quarterly Financial Results (thru 09/30/2022).
- Extension Requests (total of 5), including two data center sales and use tax extension requests.

- **Polycap – Russell County** has requested a first extension of 12 months to provide more time for the company to reach its employment target.
- **Navy Federal Credit Union – Frederick County** has requested a first extension of 15 months to provide more time for the company to reach its employment target.
- **Volvo/Mack Trucks – Roanoke County** has requested a first extension of 15 months to reach their employment target.
- **Cyxtera Communications – Loudoun County** has requested a first extension request of 18 months to meet their employment targets
- **Stack Infrastructure – Loudoun County** has requested a second extension of 18 months to meet their employment targets.

Mr. Harrell stated that the Committee recommends approval of all five extension requests.

- Clawback Update, which showed that no new items have been referred to the Office of the Attorney General.

Mr. Harrell moved to approve the consent agenda. Mr. Sessoms seconded the motion, and the motion was unanimously approved.

Mr. Harrell explained that during closed session the Committee discussed the Auditor of Public Accounts Audit and the Datacenter Economic Impact Report.

Rural Virginia Action Committee Report

Rural Virginia Action Committee Chair Rick Harrell gave an update on the topics discussed during the Committee meeting on December 7, 2022.

Mr. Harrell explained that the Committee received a presentation from Deputy Secretary of Commerce and Trade, Nicole Riley on Governor Youngkin's Energy Plan.

Mr. Harrell said Deputy Secretary Riley delivered a very comprehensive presentation. Mr. Harrell provided a recap of the five focus areas of the plan, which include reliability, affordability, environmental stewardship, competition, and innovation, in addition to other key takeaways.

Mr. Harrell shared a few thoughts on energy reliability.

Chair Hayter thanked Mr. Harrell for his reports.

Incentives Overview

Mr. El Koubi offered a brief introduction of the topic and then introduced John Michael Haynes, Financial Analyst in VEDP's Incentives division. Mr. El Koubi explained that Mr. Haynes plays a critical role when VEDP evaluates the financial and reputational risk of a company in deciding whether to offer incentives.

Mr. Haynes reviewed Virginia's three primary discretionary incentives. He spoke about the Commonwealth's Development Opportunity Fund, the Virginia Investment Performance Grant, , and the Virginia Economic Development Incentive Grant and reviewed each in detail.

Mr. Haynes also reviewed Virginia's two talent-related incentives, the Virginia Talent Accelerator Program and the Virginia Jobs Investment Program and described the parameters of each.

Mr. Haynes explained the Data Center Retail Sales and Use Tax Exemption, which is designed to attract and grow Virginia's data center industry. He reviewed the eligibility requirements of this incentive.

Mr. El Koubi described the VEDP-administered incentives approval process and how these proposals are also reviewed by members of the Administration. He spoke about the incentives section of VEDP's website and how it provides ultimate transparency. He said Virginia was recently recognized by a third party as one of the most effective states in America for the administration of incentives and its reporting on economic incentives activity.

Secretary Merrick recommended a more in-depth session with the Board to review how these incentives are calculated.

The Board engaged in a discussion about the funds that are typically available in each of these incentive programs, and avenues for exceeding those amounts, including federal resources that Virginia can leverage for economic development.

Ms. Lochte asked how Virginia stacks up against other states on incentives.

Mr. El Koubi said that he has never seen a good project where incentives are the only thing that matters. He explained the way VEDP thinks about it is that at the front end of the process a company is looking at business fundamentals and then in the latter stages, where multiple locations may perform similarly on multiple factors, incentives can become important. He said that incentives can play an important role in tipping the balance in the advanced stages of a project.

Mr. Stone stated that the Data Center Retail Sales and Use Tax Exemption is in effect through 2035. He asked how Virginia compares with other states on this issue.

Mr. El Koubi said that it is very common for states to have favorable tax treatment on the purchase of Data Center equipment. He shared that many states have this type of tax treatment in place with no sunset. Mr. El Koubi explained that Virginia needs to address this soon to preserve and protect the exemption.

Mr. Haynes shared a recap of non-VEDP incentive programs.

Mr. Haynes ended his presentation by stating that a detailed list of all of Virginia's incentive offerings are available on VEDP's website.

Chair Hayter thanked Mr. Haynes for his presentation.

Virginia Office of Education Economics update

Mr. El Koubi introduced Heather McKay, Executive Director of the Virginia Office of Education Economics (VOEE) at VEDP to offer an update. He said this presentation is timely, as it in part relates to the comprehensive workforce development reform vision that was recently announced by Governor Youngkin and Secretary Slater.

Ms. McKay said VOEE has been in operation for a little over a year. She said she would share an overview of their work in the first year as well as what the future holds.

Ms. McKay explained that VOEE is a tool in Virginia to provide data on education and workforce as well as research and policy information to a wide variety of stakeholders.

Ms. McKay reviewed the history of VOEE, its mandate, and its key partners.

Mr. El Koubi offered some context on the importance of figuring out workforce and employment outcomes and the potential of VOEE's contributions to position Virginia to win on talent. He added that if Virginia can win on talent, it will be in a better position on economic development. He said VOEE presents a great opportunity to understand how Virginia's current workforce efforts and activities translate to employment outcomes. Mr. El Koubi said the approach offered by VOEE has great promise for VEDP and Virginia.

Ms. McKay thanked the Administration for inviting VOEE in to be a partner in helping them think about how to use data in different ways. Ms. McKay also spoke about how the General Assembly has asked a lot of VOEE this year. She said she hopes the products VOEE is producing are helping, such as VOEE's Labor Market Supply Demand Dashboard. She previewed the beta version of the Dashboard, including a description of its content and functionality for the Board members and explained how it will be used by the various stakeholders. She said this tool will be available in February of 2023. She stated that the dashboard will always be in draft form, as it will constantly be updated to include feedback and data from partners.

Ms. McKay spoke about the Virginia Skills Initiative. She thanked Secretary Slater who gave VOEE funds to move forward with this initiative. She said the initiative will help VOEE and its partners understand where Virginia graduates end up and what skills they possess and promote to prospective employers.

Ms. McKay said VOEE is also looking at educational programs in Virginia and beginning to break them down by skills and competencies to better understand what a degree, certificate, and credential gets a graduate in terms of skills. She said employers know very little about the skills students are getting, so this information will be very beneficial to them.

Ms. McKay reviewed VOEE's ongoing initiatives including the New STEM Workforce Profile; G3 Program Labor Market Alignment Review; Review of Registered Apprenticeship in Virginia; Career Navigation in Virginia's K-12 System; and the Tech Talent Investment Program.

Ms. McKay introduced Pam Harder, Director of Strategy and Operations for VOEE to give an update on the Tech Talent Investment Program (TTIP).

Ms. Harder shared some background on TTIP, highlighting that it is a first of its kind program, where Virginia has committed \$1.1B over a 20-year period, to add approximately 32K bachelor's and master's graduates in tech talent. She explained that this initiative originally came out of talks in 2019 with Amazon HQ2, but that it fuels a much larger and diverse tech ecosystem.

Ms. Harder explained that a group of designated reviewers meets each year to evaluate how TTIP is performing. She said that three years in to the 20-year lifespan of TTIP, Virginia is seeing overall strong performance to date, though performance across the spectrum of educational institutions varies.

Ms. Harder shared some marketing materials with the Board and encouraged them to promote the successes of TTIP. She said she is excited for the possibility that TTIP may serve as a model for potential future investments that are systemic approaches to how Virginia thinks about talent.

Ms. McKay spoke about how VOEE has been included in the vision Secretary Slater has put forth in the workforce development redesign, and that under the proposal VOEE would move from VEDP into the new workforce agency. Ms. McKay shared this information for the Board's awareness.

Mr. El Koubi spoke about the vision for the redesign and how the broad thrust of the plan is to integrate and harmonize the various components of Virginia's workforce development system, which he said makes a lot of sense.

Mr. El Koubi expressed a few concerns he believes need to be addressed for VOEE, which he has shared with Secretary Slater and others. He reviewed his concerns with the Board. He said that Secretary Slater and others have committed to considering these concerns.

Mr. Sessoms spoke about reaching out to K-12 students as they are making decisions on their next steps after high school and presenting all of the options available to them, which may be avenues other than college.

Ms. McKay said the work VOEE is doing can help inform the decisions these students, their parents, counselors, and others are making. She spoke about work-based learning opportunities, which she said are instrumental in decision making and of the importance of identifying what a “good job” is, which may or may not be work that requires a degree.

Chair Hayter thanked Ms. McKay and Ms. Harder for their presentations.

Closed Meeting

Strategic Planning; Governor’s Comprehensive Economic Development Policy; Quarterly Marketing/Lead Generation Effectiveness Report; Site Development Update; Key General Assembly Studies Update

A motion was made by Ms. Chenery and seconded by Mr. Rush to move into a closed meeting. The motion shown below was unanimously approved by the members.

I MOVE THAT THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY CONVENE A CLOSED MEETING PURSUANT TO VIRGINIA CODE §2.2-3711(A)(50) TO ENGAGE IN A DISCUSSION OR CONSIDERATION OF THOSE PORTIONS OF VEDP’s STRATEGIC PLAN, MARKETING PLAN OR OPERATIONAL PLAN, THAT MAY RELATE TO TARGET COMPANIES, SPECIFIC ALLOCATION OF RESOURCES AND STAFF FOR MARKETING ACTIVITIES, AND SPECIFIC MARKETING ACTIVITIES THAT WOULD REVEAL TO THE COMMONWEALTH’S COMPETITORS FOR ECONOMIC DEVELOPMENT PROJECTS THE STRATEGIES INTENDED TO BE DEPLOYED BY THE COMMONWEALTH, THEREBY ADVERSELY AFFECTING THE FINANCIAL INTEREST OF THE COMMONWEALTH.

Mr. El Koubi asked that VEDP staff be allowed to stay for the closed meeting for all matters and Chair Hayter agreed.

Back in Open Meeting, Certification of Closed Meeting – Followed by a Roll Call vote:
WHEREAS, THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY HAS CONVENEED A CLOSED MEETING ON THIS DATE PURSUANT TO AN AFFIRMATIVE RECORDED VOTE AND IN ACCORDANCE WITH THE PROVISIONS OF THE VIRGINIA FREEDOM OF INFORMATION ACT; AND

WHEREAS, THE ACT REQUIRES A CERTIFICATION BY THIS BOARD THAT SUCH CLOSED MEETING WAS CONDUCTED IN CONFORMITY WITH THE ACT; NOW, THEREFORE, BE IT RESOLVED, THAT THE BOARD CERTIFIES THAT, TO THE BEST OF EACH MEMBER'S KNOWLEDGE, (I) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER THE ACT WERE DISCUSSED IN THE CLOSED MEETING TO WHICH THIS CERTIFICATION RESOLUTION APPLIES, AND (II) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING BY THE BOARD.

Upon the vote:	Chair Hayter	Aye
	Ms. Chenery	Aye
	Mr. Clemente	Aye
	Ms. Coles	Aye
	Secretary Cummings	Aye
	Mr. Edwards	Aye
	Mr. Harrell	Aye
	Mr. Hewa	Aye
	Ms. Kees	Aye
	Ms. Lochte	Aye
	Secretary Merrick	Aye
	Ms. Oman	Aye
	Ms. Radcliff	Aye
	Mr. Rush	Aye
	Mr. Sessoms	Aye
	Mr. Stone	Aye

Anticipated topics for the March 2023 Board meeting

Chair Hayter shared anticipated topics for the next Board meeting and asked for additional suggestions. Secretary Merrick suggested an in-depth presentation on the International Trade division and an overview of the incentives process.

Mr. Hewa expressed an interest in learning more about livability factors in Virginia and how the Virginia Tourism Commission is branding and marketing Virginia as an attractive place to live. He would like to discuss how this fits with VEDP's work to attract business to the Commonwealth.

Chair Hayter thanked everyone for their involvement and encouraged the members to take what they learned about the work VEDP is doing and share it with their communities.

Adjournment

There being no further business, Chair Hayter adjourned the meeting at 1:00 p.m.

Respectfully submitted,

Jason El Koubi
Secretary

DRAFT